



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.bpu.state.nj.us

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF LITECALL INC.)
FOR A CERTIFICATE OF PUBLIC CONVENIENCE
AND NECESSITY TO PROVIDE LOCAL EXCHANGE
TELECOMMUNICATIONS SERVICES WITHIN
THE STATE OF NEW JERSEY

ORDER

DOCKET NO. TE06010038

(SERVICE LIST ATTACHED)

BY THE BOARD:

Pursuant to N.J.S.A. 48:2-1 et seq. and Section 253 of the federal Telecommunications Act of 1996, 47 U.S.C. §151 et seq., and by letter dated January 17, 2006, LITECALL INC. ("Petitioner" or "LITECALL"), filed a Petition with the New Jersey Board of Public Utilities ("Board") requesting a Certificate of Public Convenience and Necessity to offer resold and facilities-based competitive local exchange telecommunications services throughout the State of New Jersey.

LITECALL is a privately held corporation organized under the laws of the State of New York. LITECALL is 100% owned by Jack Greenberg, President of the company. Petitioner's principal offices are located at 902 Kings Highway, Suite 202, Brooklyn, New York 11223.

Petitioner has submitted copies of its Certificate of Incorporation from the State of New York and its New Jersey Certificate of Authority to Operate as a Foreign Corporation. According to the Petition, LITECALL was formed to provide resold and facilities-based competitive local exchange telecommunications services within the State of New Jersey. Petitioner states that its application for Certificate of Authority to provide local and long distance service is pending before the New York Public Service Commission. Presently Petitioner is not seeking authority to provide telecommunications services nor is it providing local exchange telecommunications services in any other jurisdiction. Petitioner states that it has not been denied authority to provide telecommunications services, its authority has not been revoked in any jurisdiction and it has not been the subject of any civil or criminal proceedings. Petitioner is currently engaged in negotiations with Verizon, New Jersey to enter into an interconnection and commercial resale agreement.

Petitioner seeks authority to provide resold and facilities-based competitive local exchange telecommunications services in the State of New Jersey. Petitioner initially intends to provide telecommunications services as a pure reseller. However, it seeks facilities-based local exchange authority to allow it the opportunity to expand either through the deployment of its own local exchange facilities or by leasing such facilities from an incumbent local exchange provider like Verizon, New Jersey. Petitioner states that it will offer residential and small business customers a package of resold telecommunications services, including local exchange, long distance and international calling in Verizon's New Jersey zone and exchange areas throughout the State of New Jersey and its customers will be free to choose one or all of its service offerings. Petitioner intends to provide all forms of facilities-based and resold local exchange services to residential and business customers in New Jersey. Its services include local dial tone, two-way local lines/trunks (including 2-wire, 4-wire, digital subscriber-1, digital subscriber-3 and optical carrier network local loops/trunks), Centrex, integrated services digital network, digital subscriber lines, associated local calling (usage) for these access lines and message rate service for business customers and the required calling options for residential customers. Petitioner further states that it will also offer on a resold basis, operator assistance, lifeline, hearing impaired, directory assistance and directories, free 900 prefix call blocking, switched access and intra and inter local access transport areas toll services on a 1+ and 0+ basis. Petitioner states that it maintains a toll-free number for customer service inquiries. Petitioner has filed a proposed tariff with the Board in Docket No. TT06010058.

Petitioner requests a waiver of N.J.S.A. 48:3-7.8 and N.J.A.C. 14:1-4.3, which requires that books and records be kept within the State of New Jersey and be maintained in accordance with the Uniform System of Accounts ("USOA"), respectively. In the interest of efficiency and to prevent undue burden, Petitioner requests permission to maintain its books and records in accordance with Generally Accepted Accounting Principles and to keep all books, records, documents and other writings incident to the conduct of Petitioner's business in the State of New Jersey at Petitioner's corporate office in Brooklyn, New York. Petitioner also states, upon written notice from the Board and/or Board Staff, it will provide its books and records at such time and place within New Jersey as the Board may designate and will pay any reasonable expenses for examination of the records.

Petitioner asserts that approval of its Petition will further the public interest by expanding the availability of competitive telecommunications services in the State of New Jersey. Petitioner also asserts that approval of this Petition will provide New Jersey customers with access to new technologies and service choices and will permit customers to achieve increased efficiencies and cost savings.

With regard to its technical and managerial qualifications, LITECALL states that it possesses the technical capability and managerial qualifications to operate and manage its telecommunications operations in the State of New Jersey. Petitioner has submitted the professional biographies of its key personnel who, according to LITECALL, are well qualified to execute its business plans and have extensive managerial and technical experience in the telecommunications industry.

DISCUSSION

On February 8, 1996, the federal Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56, codified in scattered sections of 47 U.S.C. §151 et seq., was signed into law, removing barriers to competition by providing that:

[n]o State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service.

[47 U.S.C. §253(a)].

Therefore, Board approval of Petitioner's entry into the telecommunications marketplace is required, assuming Petitioner is in compliance with the Board's filing requirements to provide telecommunications services in New Jersey.

In considering this Petition, the Board recognizes its obligation not to prohibit entry into intrastate telecommunications markets. 47 U.S.C. §253(a). The Board also considers the New Jersey State Legislature's declaration that it is the policy of the State to provide diversity in the supply of telecommunications services and the Legislature's findings that "competition will promote efficiency, reduce regulatory delay, and foster productivity and innovation" and "produce a wider selection of services at competitive market-based prices." N.J.S.A. 48:2-21.16(a)(4); N.J.S.A. 48:2-21.16(b)(1) and (3).

Therefore, having reviewed LITECALL's Petition and the information supplied in support thereof, the Board FINDS that the Petitioner is in compliance with the Board's filing requirements to provide telecommunications services in New Jersey. Accordingly, the Board HEREBY AUTHORIZES the Petitioner to provide local exchange telecommunications services throughout New Jersey. The Board also FINDS that in accordance with N.J.S.A. 48:2-59 and 48:2-60 and N.J.S.A. 52:27E-61 and 52:27E-62, the Petitioner is subject to an annual assessment by both the Board and Division of Ratepayer Advocate, respectively. The Board notes that the Petitioner has filed a proposed tariff per Docket No. TT06010058.

The Board HEREBY ORDERS that

- 1) Pursuant to N.J.S.A. 48:2-16(2)(b) and N.J.A.C. 14:3-6.3, Petitioner shall file an annual report as of December 31 of each year, which is due on or before March 31 of the following year. Pursuant to N.J.S.A. 48:2-16.3, if Petitioner fails to file an annual report by the due date, Petitioner shall be subject to a penalty of \$5.00 for each day thereafter until such report is filed.
- 2) Pursuant to N.J.S.A. 48:2-62, Petitioner shall file a statement of gross intrastate revenues from operations form (AR3-1) as of December 31 of each year, which is due on or before June 1 of the following year.

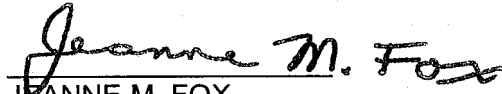
On or before February 1st of each year, the Petitioner will receive from the Division of Audits an annual report package and a statement of gross intrastate revenues from operations form for the preceding calendar year. The purpose of these documents is to report the Petitioner's financial information and gross intrastate revenues from operations as of December 31 of each year. The annual report and a statement of gross intrastate revenues from operations form are due on or before March 31 and June 1 of the following year, respectively. If Petitioner does not receive these documents, it is Petitioner's responsibility to obtain them from the Board. It is also the Petitioner's responsibility to ensure timely filing of these reports.

Regarding the Petitioner's request for waivers of the Board rules, the Board FINDS that the Petitioner has demonstrated good cause why the Board should grant relief from its requirements that the Petitioner maintains its books and records in accordance with USOA and within New

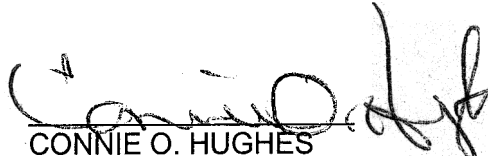
Jersey. Therefore, subject to the Petitioner's continuing responsibility to provide the Board books and records upon 48 hours notice, and in the manner requested, and to pay to the Board any reasonable expenses or charges incurred by the Board for any investigation or examination of these books and records, the Board APPROVES the Petitioner's request for the exemptions from maintaining its books and records in accordance with USOA and in New Jersey.


DATED: 5/16/06

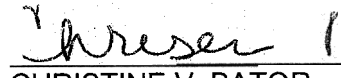
BOARD OF PUBLIC UTILITIES
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FREDERICK F. BUTLER
COMMISSIONER


CONNIE O. HUGHES
COMMISSIONER

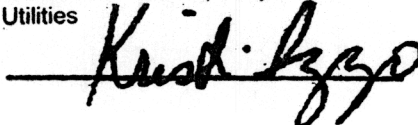

JOSEPH L. FIORDALISO
COMMISSIONER


CHRISTINE V. BATOR
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities



IN THE MATTER OF THE PETITION OF LITECALL INC. FOR A CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE LOCAL EXCHANGE
TELECOMMUNICATIONS SERVICES WITHIN
THE STATE OF NEW JERSEY

DOCKET NO. TE06010038

SERVICE LIST

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